



Wyoming Lender Alert

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October 2005

Steven Despain, District Director

Making a Difference for Small Business in Wyoming



Tom Lockhart Named Veteran Small Business Champion of the Year 2005

The Wyoming District Office of the U.S. Small Business Administration (SBA) has named Tom Lockhart, Veteran Small Business Champion of the Year 2005. Steve Despain, District Director, presented this award to Mr. Lockhart at the annual banquet of the Casper Chamber of Commerce on May 6, 2005.

This award is given to an individual who has fulfilled a commitment to advancing small business opportunities for veterans of the U.S. armed forces. Evaluation criteria includes active support for legislative or regulatory action designed to help small businesses; evidence of increased business opportunities for veterans as a result of the nominee's actions; advisory activities to improve awareness among veteran's groups of small business opportunities; advocacy

of special consideration for veteran-owned small businesses in government policymaking; demonstrated accomplishment in obtaining support within the community for the establishment of veteran-owned small businesses and other accomplishments demonstrating the nominee's effective advocacy of veteran-owned small businesses. The President of the United States recognizes contributions of the small business community to the American economy and society by proclamation each year.

Mr. Lockhart is retired, but has been an advocate for veterans and veteran's issues in the Wyoming legislature. Tom sponsored a bill that will protect not only veteran businesses, but all businesses when they comply with the Federal Uniformed Services Employment and Reemployment Rights Act (USERRA). His Bill, which was passed without a dissenting vote in either the House or Senate, will protect an employer's Unemployment Insurance rate from being increased due to compliance with the USERRA law. Tom was also instrumental in passing veteran legislation that will increase the opportunities for veterans to attend State Institutions at no cost which will allow veteran business owners to take classes related to running and operating a business and increasing their skills.

Tom spends much of his time providing and improving opportunities for veterans with the State

of Wyoming. His dedication to providing opportunities and addressing concerns that Veteran Owned Businesses are facing has been outstanding.

ALERT

**Effective September 30, 2005,
SBA will no longer approve
loans under the LowDoc
Program.**

Use of standard 7(a) processing

Except for loans in the lenders' "pipelines" (see the next paragraph), all future 7(a) loan applications must be submitted to the district office covering the geographic location of the borrower, using the procedures and with the forms required for the standard 7(a) Program.

Instructions for loans currently in process

Any loan package not processed by a LowDoc Center prior to the close of business on September 30, 2005, will be shipped to the appropriate district office for approval as a standard 7(a) loan. The district office may need to contact the lender for additional information as necessary to make a loan decision, but the lender will not be required to re-initiate the entire application package.

The Agency recognizes that there is a "pipeline" issue with respect to loans in process at the lender. In order to not cause undue disruption to potential borrowers, SBA district offices will accept applications submitted using

LowDoc forms until October 31, 2005. The loan processor will inform the lender as to what additional information may be required.

Guaranty percentage unaffected by this Notice

Statutory changes made to the Small Business Act last year preserved the higher guarantee percentage available for smaller – sized business loans. Those changes allow for all 7(a) loans made for \$150,000 or less that are not processed through SBAExpress to be guaranteed at 85 percent.

UPDATED 7(a) AUTHORIZATION

The 7(a) Authorization Version 2006 has replaced version 2004.2 as of October 3, 2005.

The 7a Wizard Version 2006 is now available to Lenders by going to the SBA banking website at www.sba.gov/banking. Lenders have until November 3, 2005 to convert to using this new version.

For loans approved beginning October 1, 2005, the “ongoing servicing fee” paid by borrowers to SBA will be 0.545 of one percent. This is a slight increase from the FY 2005 fee of 0.500 of one percent.

UPDATED 504 AUTHORIZATION

The 504 Authorization Version 2006 has replaced version 2004.2 effective October 3, 2005.

The 504 Authorization Version 2006 is now available to CDCs by going to the SBA banking website at www.sba.gov/banking. CDCs should begin using Version 2006 as soon as possible, but have until November 3, 2005 to convert to this new version.

For loans approved beginning October 1, 2005, the “ongoing guarantee fee” paid by borrowers to SBA will be 0.192 of one percent. This is a slight decrease from the FY 2005 fee of 0.288 of one percent.

Please see SBA Procedural Notice, Control No.: 5000-969 for fee changes.

SBA and Junior Achievement Worldwide Launch Joint Teen Web Site

A new cosponsored Web site targeting young entrepreneurs who want to start, run or grow their own businesses was announced today by the U.S. Small Business Administration and JA (Junior Achievement) Worldwide.

The new Web site, *Mind Your Own Business* at www.mindyourownbiz.org, is designed to support the growing interest in entrepreneurship among teens, and serves as a small business portal for youth entrepreneurs, providing necessary re-sources and information essential in realizing their dreams of business ownership.

The *Mind Your Own Business* Web site provides five easy-to-navigate steps on business ownership for entrepreneurial-minded teens, each with valuable information to help take teens from brainstorm to business.

“Legions of young entrepreneurs across the country are changing the face of America’s marketplace.” “We are pleased to partner with JA Worldwide to support and promote our nation’s youth as contributing members of the American economy.”

The new Web site will give teens valuable resources to help them start their own business and live the American Dream.

This week the SBA also unveiled its teen Web site *Teen Business Link*, at www.sba.gov/teens.

The Web site has been revamped to include streaming video, animation and interactive sound clips. *Teen Business Link* lays the foundation for the next generation of entrepreneurs and provides tools and resources on small business basics for the young entrepreneurs. Both the *Mind Your Own Business* and *Teen Business Link* Web sites will help to introduce teens to the idea of small business ownership as an entrepreneurial career.

The “National Student Entrepreneur of the Year,” Brian Hendricks of Potomac, MD., was selected as the 2005 award recipient

by a blue-ribbon panel of experts from various organizations including the SBA and the National Federation of Independent Business. The award recognizes students with entrepreneurial spirit who have successfully applied the knowledge they gained through JA programs.

Brian is the founder of StartUpPc and VB Solutions, Inc. StartUpPc sells custom-built computers and computer services for home users, home offices, small businesses and students. In October 2002, Brian founded VB Solutions, Inc., which develops and customizes Web sites and message boards. He was taught at a very young age that working for yourself is one of the best jobs available. Brian was also named the 2005 SBA’s “Young Entrepreneur of the Year” for the Washington, D.C., District Office.

SBA’s participation in this Co-sponsorship does not constitute an express or implied endorsement of the views, opinions, products, or services of any cosponsor or other person or entity. All SBA programs, services and cosponsored activities are extended to the public on a non-discriminatory basis.

2005 SBA SMALL BUSINESS AWARD NOMINATIONS

Don’t forget, nominations are due Nov. 4th to Beth Hink, SBA, PO Box 44001, Casper, WY 82602-5013. For more information, please contact Beth at (307) 261-6502 or email at elizabeth.hink@sba.gov.

UPCOMING EVENTS

October 4 - Women’s Roundtable Jackson

October 5 - Women’s Roundtable Casper and Dubois

October 6 – SBDC - Shopping for Money, 3-5pm

October 13 – Women’s Roundtable Laramie and Worland

October 18 – Women’s Roundtable Cody

October 19 – Vet Procurement Conference – Rock Springs

October 20 – Women’s Roundtable Powell

October 29 – Park County Women’s Expo